

Senate remarks:
9/14/11

I am here today on behalf of a coalition that includes more than 100 businesses and business organizations representing more than 20,000 businesses in this state that simply want a safe, reliable and efficient way to get their product to market.

They include the largest current customers of the Ambassador Bridge

Including: the worlds five largest auto manufacturers GM, Ford, Chrysler Toyota and Honda.

- Auto-parts manufactures like Magna and American Axle
- Some of our state's largest product manufactures like Kellogg, Steelcase, Amway, Wolverine Worldwide and Masco
- 13 Chambers of Commerce covering businesses from every corner of the state, from Marquette to Muskegon, Grand Rapids, Jackson, to Detroit and the Lakes Area Chamber in Oakland County.
- State - wide business organizations including: Michigan Manufacturers Association, Business Leaders for Michigan, Original Equipment Suppliers Association and Michigan Infrastructure and Transportation Association
- Agri-business and food producers including Campbells soup, Michigan Milk Producers, and the Michigan Farm Bureau
- Regional business organizations including, Automation Alley, Battle Creek Unlimited and the Oak Co. Business Roundtable

We also have a broad base of support from;

- Political leaders including the five most recent Michigan Governors, we tried to get the endorsement of the last governor to tackle a bridge of this magnitude, but Soapy Williams wasn't available.
- Community planning organizations like SEMCOG
- And leading Labor organizations including the AFL-CIO, Regional Council of Carpenters and Millrights and the International Union of Operating Engineers who are looking to put 10,000 construction workers to work and provide the funds to needed to fix our local roads.

All supporting the Governor's proposal to build the New International Trade Crossing from Detroit to Windsor.

The need for a new bridge is critical.



We have a 20th century bridge trying to serve a 21st century economy.

The Ambassador Bridge is 82 years old and is at the end of its life cycle. Bridges are not made to last forever.

Recently remembering the 10th anniversary of 911 we realize that security at the border has changed forever, and having only one bridge does not supply the redundancy we need to provide the economic security we need in case something happens to the current span.

The plazas are too small, the bridge is too narrow, it doesn't have enough lanes and frankly – it's built in the wrong place.

Most of you were able to make the trip this summer and saw that in Windsor the bridge is surrounded by a vibrant community on one side – and the University of Windsor on the other.

It also empties 8,000 trucks and 12,000 cars a day out onto a city street where they have to travel seven miles through 18 stop lights to get to Hwy 401. In fact, there are only 18 stop lights between Houston and Montreal – and all of them are located in Windsor.

These cause Back ups and delays at the bridge – and delays to go from expressway to expressway are costing businesses million and millions of dollars each and every year.

If every truck was delayed 20 minutes because they have to travel along Huron Church Road, it is costing businesses 900 thousand hours a year in delays, lost production and waste. That's over \$45 million a year. And that doesn't include any delays at the bridge.

The Center for Automotive Research says in a soon to be released study:

"A typical automaker in the region depends on 600 trucks crossing the border every day to support its operations in Ontario and the upper Midwest. This same automaker last year sent \$4 billion worth of parts across the U.S.- Ontario border. It experienced an estimated 130,000 hours of delay at a cost of \$13.7 million."

Today's manufacturing is based on just on time deliveries. Parts arrive at factories hours before they are installed. It's estimated that car parts cross the bridge 7-8 times during the manufacturing process. Ford estimates delays are costing them up to \$800 per car. Chrysler estimates delays are costing them up to \$600 per car.

If the bridge shuts down, factories start closing in Michigan and beyond.

Again, the CAR study:

"The need for an additional Detroit-based crossing was made readily apparent when a storm closed highway 402 near the Bluewater Bridge in mid-December 2010. The closing caused extensive backups at the Ambassador Bridge after traffic that would otherwise have used the Blue Water crossing was rerouted to the Ambassador

Crossing. As a result, automotive plants in Michigan and Ontario had to shutdown production lines; the plants that were dependent on Just In Time delivery were highly vulnerable to these delays. General Motors, Ford, and Chrysler experience part shortages that halted production in some factories as a result of the border crossing delays."

The Detroit Chamber has been involved in border crossing issues for decades – but our active involvement intensified after 9/11 when we changed the way we approach our borders.

With Canada as our largest trading partner, we knew problems at the border would be economic problems for our members.

We participated in the joint effort to select the site for the new bridge and completely support the NITC.

The Governor has crafted a plan to build a New International Trade Crossing two miles south of the Ambassador Bridge.

It would provide a direct freeway-to-freeway connection, eliminate the need to travel through city streets, include customs plazas that are 5 times the size of the current ones to give us room to grow and truck lanes using the most modern technologies.

The new bridge would also provide efficiency and reliability while providing some competition to the monopoly of the Ambassador Bridge who charges our businesses the highest fees in the country.

As we have worked on this project over the years and have watched the support for this new freeway to freeway bridge grow – the one constant has been opposition from the Monopoly owner of the Ambassador bridge. Monopolies work great for those who own them – but they don't usually work well for everyone else.

That's why they can get away with a bridge located in the wrong place charging the highest rates in the nation.

The owners have proven they will do, promise and say anything to protect their monopoly. Over the past few years it seems like we spend most of our time responding to the misinformation campaign.

We would like to take a few minutes to respond to the misinformation that you have seen on TV, in your mailboxes or from paid spokespersons.

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Part of the Governor's plan to reinvent Michigan is to kick start our economy, expand our trade and become an International Trade hub. This bridge is an integral part of that plan.

Ports in Canada provide significant advantages for global traders including closer proximity to Europe and Suez Canal and less congestion allowing ships to dock quickly upon arrival. Current plans call for increased capacity at

Canadian ports in Halifax and Montreal as well as the west coast. Increased capacity at these ports will only enhance the inherent advantages for global traders. In most situations, neither Halifax, Montreal nor any other location in Canada is the final destination for imports coming through Canadian ports. The vast majority of the goods entering North America at Canadian ports has its final destination in the United States. Currently, Detroit and Buffalo are the most likely points of entry in the United States. Detroit is the busiest border crossing in North America with four lanes of traffic, Buffalo has 14 lanes and is looking to add more. We all know that global trade flows like water and follows the path of least resistance, which allows Canadian ports to compete with congested U.S. ports, it is imperative for our economic future the Detroit remains the path of least resistance to enter and exit Canada and by extension the world. This is not just important for Canada and global traders, but also for Michigan workers. Transportation, distribution and logistics hubs throughout the Midwest are already congested and Michigan has the opportunity to capture market share, increase economic activity, and create good paying jobs.

To rely on the promises of a twining span that may never be approved, provides no redundancy, uses the same plazas and same side streets we use today, without a freeway-to-freeway connection would be a huge mistake that actually make trade traffic worse.

It would relegate us to a second-class trade crossing status for decades to come. Costing us jobs and economic opportunity.

If the Ambassador Bridge was a public bridge and we had to chose a site for a new international crossing - we would never choose the site next to that bridge to meet our needs for the future. We would choose the best possible site to serve the users.

It comes down to this, is our state's economic policy to protect the monopoly of one business over the interests of the users, our business community and the 237,000 Michigan workers who count on trade with Canada for their jobs.

This isn't about government bridges or private bridges this is about doing what is best for Michigan's economy. There is only one project that has the necessary approvals and is ready to go. The only thing required to secure our economic future as a global trade hub is your vote.

On behalf of the Michigan's business community and the coalition of labor, political the public supporters of this project - we ask the committee and the legislature to put Michigan first and pass the legislation authoring the New International Trade crossing.